

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

DAPHNE JONES,)	
)	FILED: AUGUST 27, 2008
Plaintiff,)	08CV4914
)	JUDGE LEFKOW
v.)	MAGISTRATE JUDGE COX
)	
TRANS UNION, LLC; and)	
CITIBANK (SOUTH DAKOTA), N.A.,)	AO
)	
Defendants.)	

COMPLAINT

MATTERS COMMON TO MULTIPLE COUNTS

INTRODUCTION

1. Plaintiff Daphne Jones brings this action to secure redress from unlawful credit reporting practices of defendants TransUnion, LLC ("TransUnion"), and Citibank (South Dakota), N.A. ("Citibank"), in violation of the Fair Credit Reporting Act, 15 U.S.C. §1681 et seq. ("FCRA").

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction under 28 U.S.C. §§1331 (general federal question), 1337 (interstate commerce) and 15 U.S.C. §1681p (FCRA).

3. Venue in this District is proper because each defendant is subject to jurisdiction here.

PARTIES

4. Plaintiff Daphne Jones is an individual who resides in Chicago, Illinois.

5. Defendant TransUnion is a credit reporting agency with its principal place of business located at 555 W. Adams, Chicago, IL 60661. Its registered agent and office are Prentice Hall Corporation, 33 N. LaSalle St., Chicago, IL 60602.

6. Defendant Citibank is a national bank with offices in Sioux Falls, South Dakota. It does business in Illinois.

FACTS

7. Plaintiff has a student loan that is serviced by Citibank.

8. The loan is current and in good standing.

9. Citibank has repeatedly admitted that the loan is current and in good standing. Letters to that effect are attached as Exhibits A-D.

10. The loan is reported on plaintiff's credit report with Trans Union as "included in bankruptcy." The "tradeline" as of July 5, 2008 is attached as Exhibit E.

11. At no time has plaintiff discharged or sought to discharge the student loan in any bankruptcy. Citibank admits this in Exhibit C.

12. The loan is shown on Exhibit E as having been opened in 2004.

13. Plaintiff did file bankruptcy, once, in Ohio in 1995.

14. It is obvious that a loan opened in 2004 was not included in a bankruptcy filed in 1995.

15. The fact that plaintiff's bankruptcy filing predates plaintiff's loan by 9 years is readily ascertainable by Trans Union, which has plaintiff's Social Security Number and can search bankruptcy filings nationwide using PACER or any of several private services.

16. Similarly, Citibank's files show that plaintiff's loan was not included in

any bankruptcy.

17. Plaintiff disputed the “tradeline” with Trans Union in June 2008. A copy of plaintiff’s letter is in Exhibit F.

18. Trans Union’s response is in Exhibit E.

19. It is the policy and practice of Trans Union to have a low-paid clerical employee send a meaningless, computerized dispute to Citibank, which responds with an equally meaningless response.

20. Plaintiff has been damaged by the false reporting. Plaintiff has been required to pay more for credit than she otherwise would have. Plaintiff applied for a car loan and was given a rate that was 2.5 points higher because of the false reporting on her credit. Plaintiff also tried to refinance her house twice but was not given the best rate because of the false reporting on her credit. Plaintiff has also expended extensive time and effort dealing with the false reporting.

COUNT I – FCRA CLAIM AGAINST TRANSUNION

21. Plaintiff incorporates ¶¶1-20. This claim is against TransUnion.

22. Under the Fair Credit Reporting Act, 15 U.S.C. §1681i, TransUnion is required to conduct a reasonable investigation if a consumer such as plaintiff disputes the accuracy of an item on her credit report. Section 1681i provides:

§1681i. Procedure in case of disputed accuracy

(a) Reinvestigations of disputed information.

(1) Reinvestigation required.

(A) In general. If the completeness or accuracy of any item of

information contained in a consumer's file at a consumer reporting agency is disputed by the consumer and the consumer notifies the agency directly of such dispute, the agency shall reinvestigate free of charge and record the current status of the disputed information, or delete the item from the file in accordance with paragraph (5), before the end of the 30-day period beginning on the date on which the agency receives the notice of the dispute from the consumer.

(B) Extension of period to reinvestigate. Except as provided in subparagraph (C), the 30-day period described in subparagraph (A) may be extended for not more than 15 additional days if the consumer reporting agency receives information from the consumer during that 30-day period that is relevant to the reinvestigation.

(C) Limitations on extension of period to reinvestigate. Subparagraph (B) shall not apply to any reinvestigation in which, during the 30-day period described in subparagraph (A), the information that is the subject of the reinvestigation is found to be inaccurate or incomplete or the consumer reporting agency determines that the information cannot be verified.

(2) Prompt notice of dispute to furnisher of information.

(A) In general. Before the expiration of the 5-business-day period beginning on the date on which a consumer reporting agency receives notice of a dispute from any consumer in accordance with paragraph (1), the agency shall provide notification of the dispute to any person who provided any item of information in dispute, at the address and in the manner established with the person. The notice shall include all relevant information regarding the dispute that the agency has received from the consumer.

(B) Provision of other information from consumer. The consumer reporting agency shall promptly provide to the person who provided the information in dispute all relevant information regarding the dispute that is received by the agency from the consumer after the period referred to in subparagraph (A) and before the end of the period referred to in paragraph (1)(A). . . .

(4) Consideration of consumer information. In conducting any reinvestigation under paragraph (1) with respect to disputed information in the file of any consumer, the consumer reporting agency shall review and consider all relevant information submitted by the consumer in the period

described in paragraph (1)(A) with respect to such disputed information.

(5) Treatment of inaccurate or unverifiable information.

(A) In general. If, after any reinvestigation under paragraph (1) of any information disputed by a consumer, an item of the information is found to be inaccurate or incomplete or cannot be verified, the consumer reporting agency shall promptly delete that item of information from the consumer's file or modify that item of information, as appropriate, based on the results of the reinvestigation. . . .

23. TransUnion willfully or negligently (a) failed to take reasonable measures to investigate plaintiff's dispute and (b) failed to correct plaintiff's credit report.

24. TransUnion violated 15 U.S.C. §1681n and/or §1681o.

WHEREFORE, plaintiff requests that the Court enter judgment in her favor and against TransUnion for:

- (1) Appropriate actual, punitive and statutory damages;
- (2) Attorney's fees, litigation expenses and costs of suit;
- (3) Such other or further relief as the Court deems proper.

COUNT II – FCRA CLAIM AGAINST CITIBANK

25. Plaintiff incorporates ¶¶1-20. This claim is against Citibank.

26. Citibank violated the Fair Credit Reporting Act, 15 U.S.C. §1681s-2(b), by failing to reasonably investigate when Trans Union contacted Citibank in response to plaintiff's complaints and in providing false information as a result. Section 1681s-2(b) provides:

(b) Duties of furnishers of information upon notice of dispute.

(1) In general. After receiving notice pursuant to section 611(a)(2) [15 USC §1681i(a)(2)] of a dispute with regard to the completeness or accuracy of any information provided by a person to a consumer

reporting agency, the person shall

(A) conduct an investigation with respect to the disputed information;

(B) review all relevant information provided by the consumer reporting agency pursuant to section 611(a)(2) [15 USC §1681i(a)(2)];

(C) report the results of the investigation to the consumer reporting agency; and

(D) if the investigation finds that the information is incomplete or inaccurate, report those results to all other consumer reporting agencies to which the person furnished the information and that compile and maintain files on consumers on a nationwide basis.

(2) **Deadline.** A person shall complete all investigations, reviews, and reports required under paragraph (1) regarding information provided by the person to a consumer reporting agency, before the expiration of the period under section 611(a)(1) [15 USC §1681i(a)(1)] within which the consumer reporting agency is required to complete actions required by that section regarding that information.

27. Citibank committed such violations willfully or negligently, thereby violating 15 U.S.C. §1681n and/or §1681o.

28. Section 1681n provides:

§1681n. Civil liability for willful noncompliance

(a) **In general.** Any person who willfully fails to comply with any requirement imposed under this title with respect to any consumer is liable to that consumer in an amount equal to the sum of—

(1)

(A) any actual damages sustained by the consumer as a result of the failure or damages of not less than \$ 100 and not more than \$ 1,000; or

(2) such amount of punitive damages as the court may allow; and

(3) in the case of any successful action to enforce any liability under this section, the costs of the action together with reasonable attorney's fees as determined by the court. . . .

29. Section 1681o provides:

§1681o. Civil liability for negligent noncompliance

(a) In general. Any person who is negligent in failing to comply with any requirement imposed under this title with respect to any consumer is liable to that consumer in an amount equal to the sum of--

(1) any actual damages sustained by the consumer as a result of the failure;

(2) in the case of any successful action to enforce any liability under this section, the costs of the action together with reasonable attorney's fees as determined by the court.

30. Section 1681p provides:

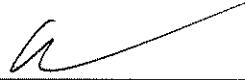
§1681p. Jurisdiction of courts; limitation of actions

An action to enforce any liability created under this title may be brought in any appropriate United States district court without regard to the amount in controversy, or in any other court of competent jurisdiction, within two years from the date on which the liability arises, except that where a defendant has materially and willfully misrepresented any information required under this title to be disclosed to an individual and the information so misrepresented is material to the establishment of the defendant's liability to that individual under this title, the action may be brought at any time within two years after discovery by the individual of the misrepresentation.

WHEREFORE, plaintiff requests that the Court enter judgment in her favor and against Citibank for:

- (1) Appropriate actual, punitive and statutory damages;**
- (2) Attorney's fees, litigation expenses and costs of suit;**

- (3) Such other or further relief as the Court deems proper.



Daniel A. Edelman

Daniel A. Edelman
Cathleen M. Combs
James O. Lattuner
EDELMAN, COMBS, LATTURNER
& GOODWIN, LLC
120 S. LaSalle Street, 18th Floor
Chicago, Illinois 60603
(312) 739-4200
(312) 419-0379 (FAX)

JURY DEMAND

Plaintiff demands trial by jury.



Daniel A. Edelman

NOTICE OF LIEN AND ASSIGNMENT

Please be advised that we claim a lien upon any recovery herein for 1/3 or such amount as a court awards. All rights relating to attorney's fees have been assigned to counsel.



Daniel A. Edelman

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EDELMAN, COMBS, LATTURNER
& GOODWIN, LLC
120 S. LaSalle Street, 18th Floor
Chicago, Illinois 60603
(312) 739-4200
(312) 419-0379 (FAX)

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08CV4914

JUDGE LEFKOW

MAGISTRATE JUDGE COX

EXHIBIT A



Citibank (South Dakota), N.A.
P.O. Box 6191
Sioux Falls, SD 57117-6191
1-800-967-2400
TDD 1-800-846-1298
studentloan.com

March 13, 2007

DAPHNE SINGLETARY JONES
[REDACTED]
[REDACTED]
[REDACTED]

Dear DAPHNE SINGLETARY JONES:

This letter is in response to your inquiry regarding the student loan information reported on your credit profile. After a careful review of your account, we have determined that your credit rating will be adjusted.

We have submitted an update to all three National Credit Reporting Agencies to have the bankruptcy reporting removed from your credit profile on loan 20 as we do not have any record of a bankruptcy filed on your account.

Please be advised it may take up to seven (7) days for all credit reporting agencies to reflect this information. This letter should serve as verification of your adjusted credit history. We apologize for any inconvenience this may have caused you.

While in a payment-deferred status, you can continue to view your monthly statement at our website and you will receive a quarterly paper statement.

If you have any questions or need additional information, please call Customer Service, Monday through Friday from 8:00 a.m. to 11:00 p.m., Eastern Time. Our Internet address is www.studentloan.com and can be accessed 24 hours a day, seven days a week.

Sincerely,

Customer Service Department
[REDACTED]
[REDACTED]

Citibank FLEP student loans are originated and held by Citibank, N.A. as trustee for The Student Loan Corporation. Citibank private student loans are originated by Citibank, N.A. and assigned to The Student Loan Corporation. Citibank (South Dakota), N.A. provides loan services for Citibank student loans.

EXHIBIT B



Citibank (South Dakota), N.A.
P.O. Box 6191
Sioux Falls, SD 57117-6191
Toll-free: 1-800-967-2400
TDD: 1-800-846-1298
studentloan.com

August 14, 2007

DAPHNE SINGLETARY-JONES
[REDACTED]
[REDACTED]
[REDACTED]

Dear DAPHNE SINGLETARY-JONES:

This letter is in response to your inquiry regarding the student loan information reported on your credit profile.

We have submitted an update to all three National Credit Reporting Agencies to have the Bankruptcy reporting removed from your credit profile as your loan 20 was not discharged in bankruptcy. We have requested your loan be reported as "Current" to the National Credit Reporting Agencies.

Please be advised it may take up to seven (7) days for all credit reporting agencies to reflect this information. This letter should serve as verification of your adjusted credit history.

If you have any questions or need additional information, please call Customer Service, Monday through Friday from 8:00 a.m. to 11:00 p.m., Eastern Time. Our Internet address is www.studentloan.com and can be accessed 24 hours a day, seven days a week.

Sincerely,

Customer Service Department
[REDACTED]
[REDACTED]

Citibank FFELP student loans are originated and held by Citibank, N.A. as trustee for The Student Loan Corporation.
Citibank private student loans are originated by Citibank, N.A. and assigned to The Student Loan Corporation.
Citibank (South Dakota), N.A. provides loan services for Citibank student loans.

EXHIBIT C



Citibank (South Dakota), N.A.
P.O. Box 6191
Sioux Falls, SD 57117-6191
1-800-967-2400
TDD 1-800-846-1298
studentloan.com

January 29, 2008

DAPHNE SINGLETARY-JONES
[REDACTED]
[REDACTED]
[REDACTED]

Dear DAPHNE SINGLETARY-JONES:

We are writing in response to your complaint that was received from the Office of the Comptroller on 01/29/2008. Since your inquiry is related to your Citibank student loan account, Michael Reardon, our CEO has asked that I respond on his behalf.

Please accept our apology for the problems you have encountered with your credit report.

A review of records shows that you did file bankruptcy in September 1995. Because our system showed you were once in bankruptcy, it continued to report that information for your CitiAssist loan even though the bankruptcy was prior to your CitiAssist loan being approved. Your account has now been updated to remove any bankruptcy indicators and your loan should be reported correctly. If you have obtained a recent credit report, which reflects different information, please send us a copy of the report and we will make any necessary corrections.

Again, we apologize for any inconvenience this may have caused.

If you have any questions or need additional information, please contact Mary Bakker at 605-331-7219, Monday through Friday from 7:00 a.m. to 2:00 p.m., Central Time.

Sincerely,
Robert G. Carson
[REDACTED]
[REDACTED]

cc. OFFICE OF THE COMPTROLLER

Citibank FFELP student loans are originated and held by Citibank, N.A. as trustee for The Student Loan Corporation.
Citibank private student loans are originated by Citibank, N.A. and assigned to The Student Loan Corporation.

EXHIBIT D



Citibank (South Dakota), N.A.
P.O. Box 6191
Sioux Falls, SD 57117-6191
1-800-967-2400
TDD 1-800-846-1298
www.studentloan.com

May 13, 2008

DAPHNE SINGLETARY-JONES
[REDACTED]
[REDACTED]
[REDACTED]

Dear DAPHNE SINGLETARY-JONES:

We are writing in response to your complaint that was received from the Office of the Comptroller on 04/23/2008. Since your inquiry is related to your Citibank student loan account, Michael Reardon, our CEO has asked that I respond on his behalf.

We understand the frustration you encountered with the incorrect information that appeared on your credit report. Therefore, we would like to offer you a settlement for the balance of your loan with us. As of today, the payoff balance on your loan is \$3,569.18. If this offer is acceptable to you, we will prepare a short settlement agreement and, upon mutual execution, we will credit your account. Please be advised, this is our final offer.

If you have any questions or need additional information, please contact Mary Bakker at 1-605-331-7219, Monday through Friday from 7:00 a.m. to 2:00 p.m., Central Time.

Sincerely,

Robert G. Carson
[REDACTED]
[REDACTED]

Cc: Office of the Comptroller

EXHIBIT E

07/05/2008

TransUnion.

[REDACTED]
DAPHNE SINGLETARY JONES
[REDACTED]
[REDACTED]
[REDACTED]

Our investigation of the dispute you recently submitted is now complete. The results are listed below.

If our investigation has not resolved your dispute, you may add a 100-word statement to your report. If you provide a consumer statement that contains medical information related to service providers or medical procedures, then you expressly consent to TransUnion including this information in every credit report we issue about you.

If there has been a change to your credit history resulting from our investigation, or if you add a consumer statement, you may request that TransUnion send an updated report to those who received your report within the last two years for employment purposes, or within the last one year for any other purpose.

If interested, you may also request a description of how the investigation was conducted along with the business name, address and telephone number of any company we may have contacted for information.

Thank you for helping ensure the accuracy of your credit information.

Investigation Results

ITEM	DESCRIPTION	RESULTS
PERSONAL INFORMATION	[REDACTED]	NEW INFORMATION BELOW
CITIBANK NA	[REDACTED]	NEW INFORMATION BELOW

File Number: [REDACTED]

Pages: 1 of 2

Date Issued: [REDACTED]

TransUnion.

Personal Information

Name: DAPHNE SINGLETARY JONES

SSN: [REDACTED]

Date of Birth: [REDACTED]

Your SSN is partially masked for your protection.

Other Names: SINGLETARY JONES, DAPHNE
SINGLETARY, DAPHNE, O

You have been on our files since [REDACTED]

CURRENT ADDRESS

Address: [REDACTED]

Date Reported: [REDACTED]

PREVIOUS ADDRESS

Address: [REDACTED]

Date Reported: [REDACTED]

Address: [REDACTED]

EMPLOYMENT DATA REPORTED

Employer Name: [REDACTED]

Date Reported: [REDACTED]

Position: [REDACTED]

Hired: [REDACTED]

Employer Name: [REDACTED]

Date Reported: [REDACTED]

Position: [REDACTED]

Hired: [REDACTED]

Employer Name: [REDACTED]

Date Reported: [REDACTED]

Position: [REDACTED]

Hired: [REDACTED]

Employer Name: [REDACTED]

Date Reported: [REDACTED]

Position: [REDACTED]

Hired: [REDACTED]

Special Notes: If any item on your credit report begins with "MED1", it includes medical information and the data following "MED1" is not displayed to anyone but you except where permitted by law.

Account Information

The key to the right helps explain the payment history information contained in some of the accounts below. Not all accounts will contain payment history information, but some creditors report how you make payments each month in relation to your agreement with them.

N/A	<input checked="" type="checkbox"/>	OK	30	45	60	90
Not Applicable	Unknown	Current	30 days late	45 days late	60 days late	90 days late

Consumer Credit Report for DAPHNE SINGLETARY JONES

File Number:

Page:

2 of 2

Date Issued:

Adverse Accounts

The following accounts contain information which some creditors may consider to be adverse. Adverse account information may generally be reported for 7 years from the date of the first delinquency, depending on your state of residence. The adverse information in these accounts has been printed in brackets or is shaded for your convenience, to help you understand your report. They are not bracketed or shaded this way for creditors. (Note: The account # may be scrambled by the creditor for your protection).

CITIBANK NA #~~77-1000000~~

Balance: \$0.

\$0-

Date Verified: 07/2008

07/2008

High Balance: \$8,000

\$8,000

Terms: 180 MONTHLY \$50

180 MONTHLY \$50

Pay Status: PAID OR PAYING AS AGREED

Account Type: INSTALLMENT ACCOUNT

Responsibility: INDIVIDUAL ACCOUNT

Date Open: 12/2004

Loan Type: STUDENT LOAN

Remarks: >INCLUDED IN BANKRUPTCY<

Estimated date that this item will be removed: 07/2014

[illegible]

• End of investigation results •

To view a free copy of your full, updated credit file, go to our website <http://disclosure.transunion.com>

DOH-09.



2008-08-27 10:00 AM

2008-08-27 10:00 AM

EXHIBIT F

Request for Investigation

Your options for requesting an investigation

- Initiate an investigation at www.transunion.com/investigate or
- Complete and return this form to the address at the end of this form

Once you submit your dispute:

- TransUnion will contact the company that provided the information (lender or public record source) with a request to verify the accuracy of the information.
- The company will then advise TransUnion whether any changes should be made to the information.
- Upon conclusion, usually within 30 days of the date we receive your request, a report reflecting the results of the investigation will be mailed to you via first-class U.S. mail. Please allow 3-5 business days for mail delivery following the completion of our investigation.

Step 1 - Enter Personal Information

Please enter the following required information:

NAME DAPHNE JONES

File Number (FIN) [REDACTED]

Other Name(s) DAPHNE SINGLETARY-JONES

Address [REDACTED]

Telephone Number(s) [REDACTED]

Employer [REDACTED]

Social Security Number [REDACTED]

Date of Birth (mm/dd/yy) [REDACTED]

Driver's License Number [REDACTED]

Step 2 - Enter Investigation Details

Please provide details on why items on your credit report may be inaccurate. Use additional space on the back of the page if necessary.

CITIBANK NA

Company Name: [REDACTED]

Account #: [REDACTED]

Company Name: [REDACTED]

Account #: [REDACTED]

This information is inaccurate because:

- ☐ This is not my account
- ☐ I have never paid late
- ☐ This account is in bankruptcy
- ☐ This account is closed
- ☐ I have paid this account in full
- ☐ I paid this before it went to collection or before it was charged off

☒ Other: THE ACCOUNT IS CATEGORIZED AS INCLUDED IN BANKRUPTCY BUT IS ACTUALLY IN GOOD STANDING.

This information is inaccurate because:

- ☐ This is not my account
- ☐ I have never paid late
- ☐ This account is in bankruptcy
- ☐ This account is closed
- ☐ I have paid this account in full
- ☐ I paid this before it went to collection or before it was charged off
- ☐ Other: [REDACTED]

Request for Investigation

Company Name:

Account #:

This information is inaccurate because:

- ☐ This is not my account
- ☐ I have never paid late
- ☐ This account is in bankruptcy
- ☐ This account is closed
- ☐ I have paid this account in full
- ☐ I paid this before it went to collection or before it was charged off
- ☐ Other: _____

Company Name:

Account #:

This information is inaccurate because:

- ☐ This is not my account
- ☐ I have never paid late
- ☐ This account is in bankruptcy
- ☐ This account is closed
- ☐ I have paid this account in full
- ☐ I paid this before it went to collection or before it was charged off
- ☐ Other: _____

Step 3 - Enter Previous Address/Employer Corrections and Additional Comments (Optional)

Please use this space for corrections to your previous address information, corrections to your previous employer information and for additional comments.

Signature: 

Step 4 - Return this form to:
TransUnion Consumer Solutions
P.O. Box 2000
Chester, PA 19022-2000